

MEMO# 1650

January 12, 1990

POSSIBLE LEGISLATIVE PROPOSAL FOR UNIFIED DISTRIBUTION REQUIREMENT

January 12, 1990 TO: TAX COMMITTEE NO. 2-90 RE: POSSIBLE LEGISLATIVE PROPOSAL FOR
UNIFIED DISTRIBUTION REQUIREMENT

_____ At this week's Tax Committee meeting, we discussed whether the Institute should propose legislation to combine the current- law distribution requirements under Subchapter M and section 4982 into a unified distribution requirement. The prevailing, but not unanimous, opinion at the meeting was that the simplification resulting from only one distribution requirement probably did not justify the complexity that would be created by moving the Subchapter M distribution requirement to the excise tax years. The attached memorandum prepared by outside counsel sets forth various factors to be considered in determining whether such a proposal should be made. Please call me at (202) 955-3585 with your comments. We will keep you informed of developments. Keith D. Lawson Assistant General Counsel Attachment
KDL:bmb

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.